

No. 05-033

RESOLUTION

SUPPORTING STATE LEGISLATION RELATING TO THE ACQUISITION BY THE STATE OF AGRICULTURAL LAND OWNED BY THE GALBRAITH ESTATE IN WAIALUA.

WHEREAS, Article XI, Section 3 of the State Constitution requires the State to "...conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands"; and

WHEREAS, Article XI, Section 10 of the State Constitution requires public lands to be used for the development of farm and home ownership on as widespread a basis as possible; and

WHEREAS, Section 226-7, Hawaii Revised Statutes, which is part of the Hawaii State Planning Act, specifies that planning for the state's economy with regard to agriculture shall be directed towards, among other things, the following:

- (1) "Growth and development of diversified agriculture throughout the State"; and
- (2) "An agriculture industry that continues to constitute a dynamic and essential component of Hawaii's strategic, economic, and social well-being";

and

WHEREAS, the City's General Plan includes an "objective C" concerning the maintenance of the viability of agriculture on Oahu, and includes the following selected policies:

- Policy 1 -- "Assist the agricultural industry to ensure the continuation of agriculture as an important source of income and employment."
- Policy 2 -- "Support agricultural diversification in all agricultural areas on Oahu."
- Policy 6 -- "Encourage the more intensive use of productive agricultural lands";

and



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RESOLUTION

WHEREAS, the Council finds that the Galbraith Estate owns agricultural land in the Waialua area, which have been productive and could remain viable for agricultural use into the foreseeable future; and

WHEREAS, the Council finds that the state's and city's planning objectives and policies will be served if the state acquires the Galbraith Estate land to ensure the continuation of agricultural use; and

WHEREAS, the Council understands that the State Legislature, during the Regular Session of 2005, will consider H.B. No. 330, S.B. No. 1268, and S.B. No. 1299, identical bills that will enable the agribusiness development corporation to issue revenue bonds to obtain agricultural land in Waialua from the Galbraith Estate; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that this body supports passage of H.B. No. 330, S.B. No. 1268, and S.B. No. 1299, copies of which are attached as Exhibits A, B, and C, respectively, which provide for the acquisition by the state of Galbraith Estate land in the Waialua area for continuation of agricultural use on the land; and

BE IT FURTHER RESOLVED that the Council also supports provisions in the bill concerning the leasing by the agribusiness development corporation of this land for agricultural use and contracting for lease management services with financial institutions; and



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RESOLUTION

BE IT FINALLY RESOLVED t President of the State Senate and Sp	hat copies of this Resolution be transmitted to the beaker of the State House of Representatives.
	TRODUCED BY: Q
	-
DATE OF INTRODUCTION:	
DATE OF INTRODUCTION.	
FEB 0 3 2005	
Honolulu, Hawaii	Councilmembers

Report Title:

Agricultural Lands; Agribusiness; Waialua

Description:

Authorizes the agribusiness development corporation to issue revenue bonds to obtain agricultural land in Waialua from the Galbraith Estate. Enables the agribusiness development corporation to contract with banks to provide lease management services.

HOUSE OF REPRESENTATIVES
TWENTY-THIRD LEGISLATURE, 2005
STATE OF HAWAII

H.B. NO. 330

A BILL FOR AN ACT

relating to agriculture.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

SECTION 1. The purpose of this part is to promote fiscal accountability with regard to agricultural land lease agreements between the State and lessees by requiring the agribusiness development corporation to contract with financial institutions as lease income collection agents.

SECTION 2. Section 163D-7, Hawaii Revised Statutes, is amended to read as follows:

"[+]\$163D-7[+] Agricultural projects; agricultural development plans.
(a) The corporation may develop and implement agricultural projects where large tracts of agricultural land have been or will be taken out of productive agriculture or where, through detailed analysis, opportunities exist to exploit potential local, national, and international markets.

- (b) The corporation may initiate and coordinate the preparation of business and agricultural development plans for its projects. The plans shall include a proposal for the organization of the enterprise, a marketing information and strategy, the impact on existing agricultural operations throughout the State, and a recommendation for the construction, reconstruction, rehabilitation, improvement, alteration, or repair of any infrastructure or accessory facilities in connection with any project.
- (c) The corporation may enter into cooperative agreements with coordinating entrepreneurs or public agencies when the powers, services, and capabilities of the persons or agencies are deemed necessary and appropriate for the development and implementation of the business and agricultural development plans.
- (d) Notwithstanding any provision of this chapter to the contrary, when leasing corporation-controlled agricultural land, the corporation shall contract with a financial institution chartered under chapter 412 or a federal financial institution, as defined under section 412:1-109, that is transacting business in this State to provide lease management services. For the purposes of this subsection, "lease management services" includes the collection of lease rent and any other moneys owed to the corporation for the lease of agricultural land under its control.
- $[\frac{d}{d}]$ (e) The agricultural planning activities of the corporation shall be coordinated with the county planning departments and the county land use plans, policies, and ordinances.
- [+++] (f) The corporation may amend the business and agricultural development plans as may be necessary.
- $[\frac{f}{f}]$ $\underline{(g)}$ Any undertaking by the corporation pursuant to this chapter shall be with the express written consent of the landowner or landowners directly affected."
- SECTION 3. Section 163D-15.6, Hawaii Revised Statutes, is amended to read as follows:
- "[+]\$163D-15.6 Commitment and preservation of agricultural leases.[+]
 (a) The agribusiness development corporation shall work toward
 obtaining commitments from landowners in the leeward and central
 districts of Oahu that their agricultural leases shall be for a
 duration of twenty or more years[+]; provided that for lands in
 central Oahu acquired under Act , Session Laws of Hawaii 2005, the
 agricultural leases shall be for not less than fifty-five years and
 shall not be amended or revoked in order to allow for a
 nonagricultural use of such land.

(b) To further ensure the preservation of agriculture in the leeward and central districts of Oahu, the agribusiness development corporation shall monitor the agricultural leases of lands utilizing the water from the Waiahole water system. In the event of any proposed amendment or revocation of any such lease, the corporation shall do all things within its powers under [+]this chapter[+] to protect and defend the interests of the agricultural leaseholders to ensure the continuation of agricultural use for those lands."

PART II

SECTION 4. The purpose of this part is to comply with article XI, sections 3 and 10 of the state constitution, relating to the protection of agricultural lands and the promotion of farm ownership and diversified agriculture, by establishing a process to ensure that certain lands in the Waialua area on the island of Oahu:

- (1) Remain available for agricultural use;
- (2) Are properly managed so as to ensure continued economic viability while used for agriculture; and
- (3) Are managed in a manner that is sensitive to and consistent with the needs of farmers in the Waialua area.

The legislature finds that this Act is in accordance with article XI, sections 3 and 10 of the state constitution, is in the public interest, and will preserve agricultural activities in the area and a lifestyle that benefits the Waialua community and the community-at-large.

- SECTION 5. (a) The agribusiness development corporation shall obtain the agricultural lands located in the Waialua area of the island of Oahu and owned by the Galbraith Estate.
- (b) The agribusiness development corporation, may purchase the lands with revenues derived through the issuance of revenues bonds pursuant to section 163D-9, Hawaii Revised Statutes, and section 7 of this Act.
- (c) The agribusiness development corporation shall submit to the legislature a progress report on its actions to obtain the Waialua agricultural lands not later than twenty days prior to the convening of the 2006 regular session.
- SECTION 6. Section 163D-9, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The corporation, with the approval of the governor, may issue from time to time revenue bonds in amounts not exceeding the total amount of bonds authorized to be issued by the legislature for the purpose of constructing, acquiring, remodeling, furnishing, and equipping any project facility, including the acquisition of the site thereof[+], or acquiring agricultural lands through purchase in order to sustain and preserve viable agricultural enterprises within a contiguous geographic area."

SECTION 7. Pursuant to part III, chapter 39, Hawaii Revised Statutes, the agribusiness development corporation, with the approval of the governor, is authorized to issue revenue bonds in a total amount not to exceed \$, in one or more series, for the purpose of purchasing agricultural lands owned by the Galbraith Estate in Waialua on the island of Oahu.

SECTION 8. The revenue bonds issued under this Act shall be issued pursuant to part III, chapter 39, and section 163D-9, Hawaii Revised Statutes, relating to the power of the agribusiness development corporation to issue revenue bonds to acquire agricultural lands to sustain and promote agricultural enterprises.

SECTION 9. The authorization to issue revenue bonds under this Act shall lapse on June 30, 2010.

PART III

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect on July 1, 2005.

INTRODUCED	BY:	

SB1268

Report Title:

Agricultural Lands; Agribusiness; Waialua

Description:

Authorizes the agribusiness development corporation to issue revenue bonds to obtain agricultural land in Waialua from the Galbraith Estate. Enables the agribusiness development corporation to contract with banks to provide lease management services.

THE SENATE

S.B. NO.

STATE OF HAWAII

TWENTY-THIRD LEGISLATURE, 2005

A BILL FOR AN ACT

relating to agriculture.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I.

SECTION 1. The purpose of this part is to promote fiscal accountability with regard to agricultural land lease agreements between the State and lessees by requiring the agribusiness development corporation to contract with financial institutions as lease income collection agents.

SECTION 2. Section 163D-7, Hawaii Revised Statutes, is amended to read as follows:

"[+]\$163D-7[+] Agricultural projects; agricultural development plans.

(a) The corporation may develop and implement agricultural projects where large tracts of agricultural land have been or will be taken

where large tracts of agricultural land have been or will be taken out of productive agriculture or where, through detailed analysis, opportunities exist to exploit potential local, national, and international markets.

- (b) The corporation may initiate and coordinate the preparation of business and agricultural development plans for its projects. The plans shall include a proposal for the organization of the enterprise, a marketing information and strategy, the impact on existing agricultural operations throughout the State, and a recommendation for the construction, reconstruction, rehabilitation, improvement, alteration, or repair of any infrastructure or accessory facilities in connection with any project.
- (c) The corporation may enter into cooperative agreements with coordinating entrepreneurs or public agencies when the powers, services, and capabilities of the persons or agencies are deemed necessary and appropriate for the development and implementation of the business and agricultural development plans.
- (d) Notwithstanding any provision of this chapter to the contrary, when leasing corporation-controlled agricultural land, the corporation shall contract with a financial institution chartered under chapter 412 or a federal financial institution, as defined under section 412:1-109, that is transacting business in this State to provide lease management services. For the purposes of this subsection, "lease management services" includes the collection of lease rent and any other moneys owed to the corporation for the lease of agricultural land under its control.
- $[\frac{(d)}{(e)}]$ The agricultural planning activities of the corporation shall be coordinated with the county planning departments and the county land use plans, policies, and ordinances.
- $[\frac{(e)}{(f)}]$ The corporation may amend the business and agricultural development plans as may be necessary.
- $[\frac{f}{g}]$ Any undertaking by the corporation pursuant to this chapter shall be with the express written consent of the landowner or landowners directly affected."
- SECTION 3. Section 163D-15.6, Hawaii Revised Statutes, is amended to read as follows:
- "[+]\$163D-15.6 Commitment and preservation of agricultural leases.[+]
 (a) The agribusiness development corporation shall work toward obtaining commitments from landowners in the leeward and central districts of Oahu that their agricultural leases shall be for a duration of twenty or more years[-]; provided that for lands in central Oahu acquired under Act , Session Laws of Hawaii 2005, the agricultural leases shall be for not less than fifty-five years and shall not be amended or revoked in order to allow for a nonagricultural use of such land.

(b) To further ensure the preservation of agriculture in the leeward and central districts of Oahu, the agribusiness development corporation shall monitor the agricultural leases of lands utilizing the water from the Waiahole water system. In the event of any proposed amendment or revocation of any such lease, the corporation shall do all things within its powers under [+]this chapter[+] to protect and defend the interests of the agricultural leaseholders to ensure the continuation of agricultural use for those lands."

PART II

SECTION 4. The purpose of this part is to comply with article XI, sections 3 and 10 of the state constitution, relating to the protection of agricultural lands and the promotion of farm ownership and diversified agriculture, by establishing a process to ensure that certain lands in the Waialua area on the island of Oahu:

- (1) Remain available for agricultural use;
- (2) Are properly managed so as to ensure continued economic viability while used for agriculture; and
- (3) Are managed in a manner that is sensitive to and consistent with the needs of farmers in the Waialua area.

The legislature finds that this Act is in accordance with article XI, sections 3 and 10 of the state constitution, is in the public interest, and will preserve agricultural activities in the area and a lifestyle that benefits the Waialua community and the community-at-large.

- SECTION 5. (a) The agribusiness development corporation shall obtain the agricultural lands located in the Waialua area of the island of Oahu and owned by the Galbraith Estate.
- (b) The agribusiness development corporation, may purchase the lands with revenues derived through the issuance of revenues bonds pursuant to section 163D-9, Hawaii Revised Statutes, and section 7 of this Act.
- (c) The agribusiness development corporation shall submit to the legislature a progress report on its actions to obtain the Waialua agricultural lands not later than twenty days prior to the convening of the 2006 regular session.

SECTION 6. Section 163D-9, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The corporation, with the approval of the governor, may issue from time to time revenue bonds in amounts not exceeding the total amount of bonds authorized to be issued by the legislature for the purpose of constructing, acquiring, remodeling, furnishing, and equipping any project facility, including the acquisition of the site thereof [-], or acquiring agricultural lands through purchase in order to sustain and preserve viable agricultural enterprises within a contiguous geographic area."

SECTION 7. Pursuant to part III, chapter 39, Hawaii Revised Statutes, the agribusiness development corporation, with the approval of the governor, is authorized to issue revenue bonds in a total amount not to exceed \$, in one or more series, for the purpose of purchasing agricultural lands owned by the Galbraith Estate in Waialua on the island of Oahu.

SECTION 8. The revenue bonds issued under this Act shall be issued pursuant to part III, chapter 39, and section 163D-9, Hawaii Revised Statutes, relating to the power of the agribusiness development corporation to issue revenue bonds to acquire agricultural lands to sustain and promote agricultural enterprises.

SECTION 9. The authorization to issue revenue bonds under this Act shall lapse on June 30, 2010.

PART III

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect on July 1, 2005.

INTRODUCED	BY:	

SB1299 Page 1 of 4

Report Title:

Agricultural Lands; Agribusiness; Waialua

Description:

Authorizes the agribusiness development corporation to issue revenue bonds to obtain agricultural land in Waialua from the Galbraith Estate. Enables the agribusiness development corporation to contract with banks to provide lease management services.

THE SENATE

S.B. NO. 1298

TWENTY-THIRD LEGISLATURE, 2005

STATE OF HAWAII

A BILL FOR AN ACT

relating to agriculture.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I.

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- (c) The corporation may enter into cooperative agreements with coordinating entrepreneurs or public agencies when the powers, services, and capabilities of the persons or agencies are deemed necessary and appropriate for the development and implementation of the business and agricultural development plans.
- (d) Notwithstanding any provision of this chapter to the contrary, when leasing corporation-controlled agricultural land, the corporation shall contract with a financial institution chartered under chapter 412 or a federal financial institution, as defined under section 412:1-109, that is transacting business in this State to provide lease management services. For the purposes of this subsection, "lease management services" includes the collection of lease rent and any other moneys owed to the corporation for the lease of agricultural land under its control.
- [(d)] <u>(e)</u> The agricultural planning activities of the corporation shall be coordinated with the county planning departments and the county land use plans, policies, and ordinances.
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PART III

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INTRODUCED	BY:	

CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII CERTIFICATE

RESOLUTION 05-033

Introduced: 2/3/05

Links: RES. 05-033

By: DONOVAN DELA CRUZ

Kobayashi ...

Committee: BUDGET

Title:

RESOLUTION SUPPORTING STATE LEGISLATION RELATING TO THE ACQUISITION BY THE STATE OF

AGRICULTURAL LAND OWNED BY THE GALBRAITH ESTATE IN WAIALUA.

Budget	2/9/05	CR-53 – Resolution reported out of committee for adoption.
Council	2/23/05	Resolution and CR-53 adopted.

Okino.....

Marshall.....

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

DONOVAN M. DELA CRUZ, CHAIR AND PRESIDING OFFICER

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